

## PURCHASING POLICY

### POLICY

This policy encompasses the purchasing, contracting and leasing of goods, materials, supplies, equipment and services and shall be accomplished through competitive bidding whenever possible and specifically where it is required by the Code of Iowa; through competitive quotes; or Government Contracts.

### SCOPE

This policy is applicable to the following:

All employees responsible to the Chickasaw County Board of Supervisors;

All employees responsible to a county elected office holder providing the appropriate elected office holder and the Board of Supervisors have certified its applicability;

All employees not directly responsible to either the Board of Supervisors or an elected office holder and whose governing body and the Board of Supervisors have certified its applicability.

Whenever the provisions of this policy are in conflict with the Code of Iowa, or with a collective bargaining agreement between the County and a certified bargaining unit, the provisions of the collective-bargained agreement and/or the Code of Iowa will prevail.

Administrative authority to purchase, sign leases, or contract agreements shall be limited to aggregate purchase prices not exceeding \$2,500.00. Purchases, leases and contract agreements in excess of \$2,500.00 must be approved by the authorized board. This policy shall not be circumvented by purchasing or leasing a group of similar or identical items each costing \$2,500.00 or less but exceeding \$2,500.00.

Any and all lease or contract agreements exceeding three (3) years in length must be approved by the authorized board even though the total aggregates lease or contract cost may not exceed \$2,500.00.

If the lease or contract agreement is open ended it should be re-bid at least every three years. If a lease or contract agreement does not include a total cost amount for services provided then an estimated total cost should be determined and based on that estimated total cost appropriate approval requirements shall be followed.

### PURPOSE

The purpose of this policy is:

- A. To professionally coordinate and maximize the effectiveness of the purchasing, contracting, and leasing of goods, materials, supplies, equipment, and services by Chickasaw County.

- B. To provide and protect for increased public confidence and trust in the procedures followed by the County in public procurements.
- C. To ensure the ethical, fair, and equitable treatment of all persons who deal with the purchasing system of the County.
- D. To provide increased economy in County purchasing activities and to maximize, to the fullest extent practical extent, the purchasing value of public funds.
- E. To foster effective broad-based competition.
- F. To effectively support other county departments, component units and agencies.

## ADMINISTRATIVE PROCEDURES

### A. Approval to Purchase, Lease, or Contract Goods and Services

- a. Unencumbered spending authority must exist at the appropriate departmental budget level prior to the purchase.
- b. Purchases, leases, or contracts up to \$2,500.00 shall require department head approval or authorization from the individual with budgetary responsibility.
- c. Purchases, leases, or contracts exceeding \$2,500.00 shall require approval of the department head and the authorized board or notification to the chairperson of the governing board when the governing board is normally scheduled to meet less than six times per year.
- d. Lease or contract agreements which do not include a total cost amount for services (i.e. the agreement may only make reference to an hourly rate plus cost of parts) require the department to estimate the total cost. The calculation at arriving at this estimate should be documented with the purchase request and depending on the amount will require appropriate approvals as stated above. If the agreement is open ended then the calculation of the total cost amount shall be based on a three year period.
- e. The requesting department shall utilize appropriate insurance and indemnification language if required. Insurance and indemnification requirements shall be developed in conjunction with the County Attorney.

### B. Individual Department/Office Responsibilities

- a. Determine the quality and quantity of goods, materials, supplies, equipment, and services needed and delivery date required. Utilize past purchase information or resources when appropriate. Research specifications to ensure that appropriate information is provided to adequately describe the desired product or services along with minimum standards or requirements.
- b. If a lease or lease-purchase contract is being proposed, prior to submitting lease for approval to the Board of Supervisors, the originating department shall request legal review of the proposed contract by the County Attorney's office. A letter from the County Attorney's office acknowledging that they have reviewed the contract and find it to be in compliance with applicable state laws.
- c. Whenever possible, competitive bids for lease agreements shall be secured.



- d. Anticipate requirements, giving accurate description of article(s) required and sufficient time to purchase item(s) on a competitive basis. When needed, the originating department will prepare additional specifications and insurance requirements if any, to secure required items.
- e. Receive and inspect item(s) delivered direct by vendor and refuse shipments that fail to meet the requirements for purchase.
- f. Handle all purchases within established procedures. Utilize applicable purchasing resources (competitive bidding, pre-bid items, web-bid items) whenever possible and where appropriate.

C. Competitive Quotations

- a. The department head or the individual with budgetary responsibility shall have the authority to authorize purchases without competitive bids for goods and services not exceeding \$2,500 without prior board approval. Whenever feasible, purchases, leases, and contracts for goods, supplies, materials, equipment, and services required for public use shall be on an equal and competitive basis.
- b. The Board of Supervisors supports economic development in Iowa. Purchases by the County will be made in Iowa for Iowa goods and services from a locally-owned business located within the County or from an Iowa-based company which offers these goods or services if the cost and other considerations are relatively equal and they meet the required specifications. The purchase will be made from the lowest responsible bidder based upon total cost considerations including, but not limited to, the cost of the goods and services being purchased, availability of service and/or repair, conformance with the specifications in all material respects, past performance, delivery date, and other factors deemed relevant by the board. In addition, the department may take into consideration reputation, business, and financial capabilities.
- c. For public improvements and construction contracts (excluding design and consulting contracts) that exceed the public bidding requirements as set forth in the Iowa Code Section 331.341 the determination and criteria for determining the lowest responsible bidder shall be accomplished through a formalized process. That process shall set out criteria and notification in the specifications document and gather qualification, reference and other pertinent information at the time of the bid. The use of an American Institute of Architects Form 305A with an addendum or a similar standardized form for gathering appropriate information from bidders shall be used whenever possible. Chickasaw County reserves the right to reject a low bid based on the criteria set forth and the evaluation of the submitted information and research conducted.
- d. For purchases less than \$2,500.00 departments/offices may enter the purchase order directly. For purchases between \$2,500.00 and \$10,000 departments/offices are strongly encouraged to obtain at least three competitive quotes. Departments may obtain their own quotes utilizing applicable purchasing resources. For purchases over \$10,000.00, departments shall solicit bids using open competitive bidding practices. There may be some occasions where it is not possible to obtain three bids based on the

type of purchase. If this is the case, the department shall submit a written statement why they did not obtain multiple bids for the item being purchased.

- e. All parties involved shall comply with all applicable laws and regulations pertaining to their employment practices, and shall not discriminate in providing services on the basis of race, color, creed, national origin, sex, handicapped condition or religious affiliation.
- f. Whenever possible, all requests for bids and all proposals for expenditures of public funds must be made in general terms so that no brand or trade names are specified. Also, all requests must contain this statement: "By virtue of statutory authority, a preference will be given to produces and provisions grown and coal produced within the State of Iowa".

#### D. Unsolicited Proposals

Definition: An unsolicited proposal is a document or package of documents submitted to Chickasaw County or to a Chickasaw County Office or Department, that proposes to provide a product or service that was not solicited nor initiated by Chickasaw County.

- a. An unsolicited proposal that does not correspond to the Chickasaw County mission, vision, or values, is outside of the normal scope of Chickasaw County government services and is not a product that Chickasaw County requires or a service that Chickasaw County needs may be rejected without further consideration by the department or office.
- b. An unsolicited proposal that does correspond with the mission and scope of Chickasaw County government will be evaluated for merit by the department or office with jurisdiction or control in the service area that best matches the proposal. In the absence of a clear corresponding department or office, the review of the unsolicited proposal shall be made by the Board of Supervisors. The department, office, or Board of Supervisors may require the submission of additional or supplemental information from the submitter in order to fully evaluate the submission. An unsolicited proposal submission that refuses to provide the typical, pertinent information that the evaluator deems necessary, may be rejected without further information.
- c. Unsolicited proposals that are found to have merit may be forwarded to the Board of Supervisors for consideration. Proposals without merit or determined to be outside the scope of the Chickasaw County government shall not be forwarded to the Board of Supervisors.
- d. Proposals that have the potential for competitiveness, either by their nature or as required by law, shall initiate a request for proposal process. The department, office, or Board of Supervisors shall take measures to protect information contained in the unsolicited proposal. Said measures may include returning all copies of the unsolicited proposal to the submitter for resubmission as a part of the RFP process. At a minimum,



the department, office, or Board of Supervisors shall notify the submitter that the unsolicited proposal is, by law, a public document.

E. Public Access to Procurement Information

Purchase orders and other information of a public nature shall be available for inspection upon request to the Auditor, providing that they are not deemed to be confidential because they contain trade secrets or reports that give a competitive advantage and serve no public purpose. Purchasing records are also governed by Freedom of Information laws for public records. Each department and office shall maintain records of purchases made (award information, contracts, and purchase orders) and the purchasing process (bid requests, specifications, proof of publication, bid results, bid documents and submittals, etc.). In the absence of other legislative requirements, the retention duration for said records shall be: three years past the award date or the contract completion date (whichever is later).

F. Bids on Contracts for Repair or Construction of County Buildings

See Iowa Code Section 331.341 for specific contract letting procedures to follow.

G. Special Provisions for Secondary Roads Departments

- a. Construction and Maintenance Projects: These types of services will be either bid through the I.D.O.T., Secondary Roads office or in coordination with I.D.O.T. meeting their specifications and requirements through the County Secondary Road Department.
- b. Purchases through the State of Iowa General Services Office and the Iowa Department of Transportation Purchasing Department: The Secondary Road Department will take advantage of the State Purchasing Facilities and their volume purchasing discounts when practical and possible.
  - i. The Secondary Road Department will fill out the required State Order Forms or submit a department "requisition order".
  - ii. Upon receipt of order and billing, the Secondary Road Department will check shipment against the order and prepare the necessary County claim for payment.
  - iii. All orders exceeding \$2,500 will require prior Board of Supervisor approval.
- c. Equipment Repair Parts, Materials and Services: The specifics on these items generally cannot be anticipated or determined in advance. These are generally items that cannot be inventoried and must be purchased expeditiously to prevent costly delays and operational problems. The purchase of these items requires the technical expertise and knowledge of Secondary Road's garage personnel for effective, expeditious purchasing. The purchases may also be the type or nature where they are only available from one source.

- i. The ordering of these materials and supplies and services may only be authorized by the Secondary Road Foreman.
- ii. Any individual request for purchasing in excess of \$1,000 with the exception of purchase of tires, must receive prior approval by the County Engineer.
- iii. Upon receipt of the order, billing will be checked by the Secondary Road Department and claims prepared for the Engineer's authorization and approval by the Board of Supervisors.

#### H. Emergency Purchases

- a. The Board of Supervisors or designee may declare an emergency when
  - i. The circumstances pose a threat to the public health, welfare or safety
  - ii. The situation must be taken care of immediately in order to prevent immediate and apparent loss to the County.
  - iii. Conditions beyond reasonable control of the County occur, such as accidents or unforeseen failure in equipment, which are essential to the operation of the County.
- b. In the event that the circumstances surrounding the emergency do not allow sufficient time to convene the Board of Supervisors, the County Auditor or designee may authorize emergency purchases in excess of \$2,500.
- c. In the emergency purchase requirements are met, the County Auditor or designee, shall take informal bids, if time allows.
- d. In all cases of emergency purchases by the County Auditor or designee, the following must be submitted to the Board of Supervisors at the next meeting following the purchase:
  - i. A detailed description outlining the critical nature of the need to purchase
  - ii. An invoice if goods have been received
  - iii. A written account explaining why an emergency was declared
  - iv. The effects of the emergency on County operations or on the public
  - v. Why the particular vendor was chosen.
- e. All emergency purchases will be reviewed carefully by the Board of Supervisors at the next regularly scheduled meeting to assure that the use of the procedure is not being abused.